

SECTION 9. RATE APPLICATION FILING REQUIREMENTS

Rule 9.01. Purpose

(a) Purpose

The purpose of this section is to define the specific financial and statistical information required to be filed with a request by a public utility doing business in Arkansas with regard to proposed changes in general rates or charges. This Section is not intended to establish any ratemaking principles or to modify in any particular the provisions of the laws of the state of Arkansas. It is intended to define the information required to be filed in connection with proposed changes in general rates or charges in order to facilitate an investigation of and hearing on such rates or charges. This Section does not preclude the filing of any additional data, information, or calculations not herein specified.

(b) Exclusion

This Section 9 does not apply to telecommunications providers other than non-electing ILECs and Section 12 electing companies pursuant to § 12(g) of Act 77 of 1997.

Rule 9.02. Definitions

Terminology used in this Section is defined as follows:

- (a) Annual operating revenues are those revenues recorded as revenue in the accounts of the utility resulting from all sales of goods or services or from other uses of the utility properties.
- (b) A combination utility is a utility which provides more than one of the goods or services enumerated in this subsection.
- (c) Cost of Service - The total cost of providing service to a defined segment of customers which includes all reasonable costs of operation, taxes, depreciation, and fair rate of return. The assignment of the costs will be made using the criterion that each customer class will bear those costs that the firm incurs when it provides the good or service to the customer.

- (d) Department - A functional center within a combination utility where revenues and costs are accumulated by the good or service rendered.
- (e) Original Cost - The actual money cost of (or the actual money value of any consideration other than money exchanged for) property at the time when it was first dedicated to the public use, whether by the utility company or by predecessors.
- (f) Pro Forma Adjustments - Adjustments to actual test year results and balances to obtain an actual relationship between revenues, expenses, and rate base.
- (g) Projected Year - The twelve (12) month period immediately following the test year.
- (h) Projections - Estimates of the future state of operations based upon known facts and the logical assumptions concerning the relationship among these facts.
- (i) Rate Schedule - A schedule of rates and conditions of service for a specific classification of customer or for other specific services.
- (j) Test Year - The twelve (12) month period used in determining rate base, operating income, and rate of return. The twelve (12) month period may be either twelve (12) consecutive historical months or twelve (12) consecutive months of which at least six (6) months are historical and up to six (6) months are projected. (See Ark. Code Ann. §23-4-406.)
- (k) For the purpose of this Section utilities are classified as follows:

Telecommunications Providers

- (1) Class A - Any LEC providing more than 25,000 access lines in the State of Arkansas.
- (2) Class B - Any LEC providing 25,000 or less access lines in the State of Arkansas.

Electric Utilities

- (1) Major. Utilities and licensees that had, in each of the last three (3) consecutive years, sales or

transmission service that exceeded any one or more of the following:

- (A) One million megawatt-hours of total sales;
 - (B) 100 megawatt-hours of sales for resale;
 - (C) 500 megawatt-hours of gross interchange out;
or
 - (D) 500 megawatt-hours of wheeling for others
(deliveries plus losses).
- (2) Non major. Utilities and licensees that are not classified as "Major" (as defined above), and had total sales in each of the last three (3) consecutive years of 10,000 megawatt-hours or more.

Gas Utilities

- (1) Major. Each natural gas company as defined in the Natural Gas Act, whose combined gas sold for resale and gas transported or stored for a fee exceeds 50 million Mcf at 14.73 psi (60 degrees F) in each of the three (3) previous calendar years.
- (2) Non major. Natural gas companies that are not classified as "Major" (as defined above), and had total gas sales of volume transactions exceeding 200,000 Mcf at 14.73 psi (60 degrees F) in each of the three (3) previous calendar years.

Other Utilities

Annual Operating Revenue by Class

| <u>Type of Utility</u> | <u>Class</u> | | | |
|------------------------|------------------------|-----------------|-----------------|----------------|
| | <u>A</u> | <u>B</u> | <u>C</u> | <u>D</u> |
| Water & Sewer | Exceeding \$750,000 | \$150,000 | \$ -0- | N/A |
| | | to \$750,000 | to \$150,000 | to N/A |
| Other | Exceeding \$250,000 | \$100,000 | \$ 50,000 | \$15,000 |
| | | to \$250,000 | to \$100,000 | to \$50,000 |

Rule 9.03. Information Required by Appendix Schedules

- (a) The information required to be prepared and submitted by Class A, B, C, and D utilities in conjunction with a filing is presented on each schedule for filing contained in Appendices I, II, and III of this Section. Appendix II applies to Class A telecommunications utilities. Appendix III applies to Class B telecommunications utilities. Appendix I applies to all other kinds of utilities. The Appendix schedule formats are a part of this Section, and are available upon request to the Commission. The Applicant's schedules shall conform to these formats as closely as practicable. The instructions and notes contained on the Appendix schedules shall be followed where applicable.
- (b) Every public utility shall notify the Secretary of the Commission in writing of its intention to file an application for a general change or modification in its rates and charges at least sixty (60) days but no earlier than ninety (90) days before the application is filed. The notice shall be referenced to Docket No. U-3100, the permanent docket in which rate change application notices will be filed, and a copy of the notice will be served by the Secretary of the Commission on the Director of the Commission. Within forty-five (45) days following the receipt of the written notification of a public utility's intention to file a rate application, the Director of the Commission shall file in permanent Docket No. U-3100 and have served on the public utility a schedule of the approximate dates on which the auditing staff will conduct its field investigation and audit of the intended rate request. Pursuant to the written petition by the public utility and for reasonable cause shown therein, the Director of the Commission shall grant a waiver of compliance to this Rule. The public utility may appeal to the Commission from the Director's denial of a waiver.

Rule 9.04. Cost of Service Information

All utilities shall submit, where applicable, a cost of service study to support a filing for general rate change, as required by the Appendices I, II, and III of these Rules.

Rule 9.05. Separation of Non-Jurisdictional Properties,
Revenues and Expenses

Utility properties, operating revenues, and operating expenses associated with the provision of a utility's service not subject to the jurisdiction of the Commission must be specifically identified and properly separated in a recognized manner when appropriate. In addition, all non-utility properties, revenues, and expenses shall likewise be segregated.

Rule 9.06. Waiver of Requirements

The applicant may omit specific items of information from the filing only with prior approval by the Commission.

Rule 9.07. Failure to Comply

(a) Section 9. Filing Requirements

The Staff shall review each filing to ascertain whether it is in compliance with the provisions of this Section and the Appendices thereto, and shall submit its findings to the Commission. Should a filing be found to be deficient, the Commission or Staff shall notify the utility of said deficiency within ten (10) days after receipt of the utility's exhibits and schedules. The utility shall correct the deficiencies in writing, within fourteen (14) days of receipt of notification of deficiency, or upon objection by the utility, within such longer period as the Commission shall find appropriate. Failure to comply in a timely manner may be grounds to dismiss the application.

(b) Sanctions

If the Commission determines that the nature and extent of the deficiencies in the utility's filing are of such nature and scope whereby the orderly review and analysis of the filing may be materially impaired or delayed, the Commission, provided it deems such action appropriate and in the public interest, shall issue an order directing the utility to show cause why the filing should not be expunged for want of sufficient compliance to constitute a "filing" within the intent and meaning of the applicable law.

Rule 9.08. Production of Out-of-State Books and Records

A utility shall produce or deliver in this State all or any of its formal accounting records and related documents requested by the Commission. It may, with Commission approval, provide verified copies of original records and documents.

Rule 9.09. General Filing Instructions

In preparing the information specified in this Section, the following instructions are applicable:

- (a) All schedules shall be mathematically correct and properly cross-referenced. The applicant shall ascertain that adequate detail has been provided to explain and support all significant items and amounts.
- (b) Amounts may be rounded, where appropriate, to the nearest thousand dollars for Class A utilities, to the nearest hundred dollars for Class B and C utilities, and to the nearest dollar for Class D utilities.
- (c) All schedules shall be numbered as provided in Appendices I, II, and III, where applicable. Schedules prepared by all classes of utilities shall contain a reference to the filing date.
- (d) Schedules, titles, and row and column headings shall clearly indicate the nature and intent of the schedule and the dates or time periods covered. Row and column headings shall be clearly indicated.
- (e) All tariffs filed as part of a rate case must comply with Rule 11.04. of these Rules.

At the date of filing an application, the applicant shall file an original and thirteen (13) copies of all schedules, exhibits, and tariffs.

Rule 9.10. Filing of Prepared Testimony

Unless the Commission shall otherwise order, applicant shall file prepared testimony and exhibits within ten (10) days of the filing of the application. Staff and Intervenor parties shall file prepared testimony and exhibits not less than thirty (30) days prior to the hearing date on such application. Staff shall make available to the other parties, upon request, Staff's original

workpapers or a copy thereof, showing Staff's calculations or audit workpapers supporting its filed testimony and exhibits. Said workpapers shall be made available not later than the day Staff files its testimony and exhibits.

Applicant may supplement the testimony or exhibits filed with its application to correct errors or take into account unforeseeable changes in circumstances since the preparation of the testimony, if such supplemental testimony or exhibits are filed and served on all parties at least fifteen (15) days before the last day for filing of testimony by Staff and Intervenor.

All parties shall file corrections to testimony or exhibits as soon as errors are discovered or changed circumstances occur. Corrections to the testimony and exhibits of the applicant, the Staff, and Intervenor caused by inadvertence or unforeseeable changes in circumstances may be allowed by the Commission at any time, if the corrections will not unduly burden other parties or delay proceedings and are in the interest of a fair hearing.

Rule 9.11. Staff Assistance in Preparing a Filing

The Staff will, consistent with other workload requirements, be available to provide general guidance when needed to an applicant in preparing a filing. Utilities affected hereby are encouraged to inform the Commission of their intention to make a filing pursuant to this Section of the Rules at the earliest practicable date.

Rule 9.12. Reciprocity of Final Orders Between States

After reviewing the facts and the issues presented, a final order may be adopted by the Commission even though it is inconsistent with the Commission's procedural or substantive rules if the final order is an adoption, in whole or in part, of a final order rendered by a regulatory agency of some state other than the State of Arkansas after a hearing on the merits has been held by that other state's regulatory agency and if the number of customers in Arkansas affected by the final order does not exceed the lesser of either 1,500 customers or ten percent (10%) of the total number of customers of the affected utility.

Rule 9.13. Municipal Utilities

(a) Extension of Service

(1) Electric Service

Any municipality owning or operating facilities for supplying electric service to its citizens may, upon order of the Arkansas Public Service Commission (PSC), extend said service into rural territory contiguous to said municipality. (See Act 357 of 1985.)

(2) Water Service, Sewer Service, or Both

A municipality owning or operating a municipal water system, a sewer system, or both, may, without an order from the PSC, extend its water lines or sewer lines or both into contiguous or nearby rural territory in order to provide service. (See Ark. Code Ann. § 14-234-111.)

(b) Rates and Rules

(1) Generally

Rates and rules applicable to municipally owned or operated facilities, wherever located, for supplying electric, water, or sewer service shall be established from time to time by the City Council, Board of Directors, or local Water and Light Commission governing such municipal utility. Said rates and rules shall be made without the approval of, and shall not be reviewable by nor appealable to the PSC. (See Act 357 of 1985; Ark. Code Ann. §§ 14-200-112; 14-234-110; 14-234-111; 14-234-214; 14-235-223; and 23-1-101(4)(A)(vi).)

(2) Natural Gas Facilities

The PSC may order, promulgate, amend, enforce, waive, and repeal minimum safety standards for the transportation of gas and pipeline facilities, and make said orders applicable to municipally owned and operated gas pipeline facilities. (See Ark. Code Ann. §§ 23-15-201 -- 23-15-216.)

Rule 9.14. Immediate and Impelling Relief

(a) Separate Petition Required in General Rate Case

Whenever a petition for immediate and impelling relief is filed contemporaneously with an application for general rate relief, the petition shall not be incorporated

within the general rate application, but shall be a separate petition designated "Petition for Immediate and Impelling Relief" and shall be filed in the same docket as the general rate application.

(b) Content of Petition

The petition shall explain the circumstances justifying such relief. The explanation shall include a discussion of the following information:

- (1) The petitioner's ability to meet current payroll, debt service costs, accounts payable, and other fixed costs and expenses which represent actual cash outlays, and which are or will be currently due and owing.
- (2) An analysis of the petitioner's rate base, with short term and long term Construction Work in Progress (CWIP) stated separately.
- (3) The overall rate of return and return on equity, on an unadjusted book basis, currently being earned, and the return on equity granted to the petitioner in its most recent rate application. The docket number, order number, and date of order shall be stated.
- (4) A description of the duration of time the petitioner has experienced one or more of the circumstances requiring immediate relief (i.e., has petitioner's inability to meet payroll or debt service, for example, gone on for the previous month only, for the previous six months, the previous year, or what?).
- (5) Any other information deemed by the filing utility to be relevant to its petition.

(c) Exhibits

- (1) A petition for immediate and impelling relief shall contain exhibits showing actual, unadjusted data, with no year end level adjustments, for a period representing twelve (12) consecutive months prior to the date of the filing of exhibits. The utility may provide additional exhibits showing its projected revenue and expenses if it wishes.

- (2) Exhibits in support of the petition shall be attached to the petition and shall be labeled as being exhibits in support of the petition.
- (3) The exhibits shall include, at a minimum, the following:
 - (A) Income statement for the test year absent any adjustments.
 - (B) Rate base items, thirteen (13) month averaged. Provided, that net plant in service (and accumulated deferred taxes if treated in rate base) shall be measured as an average of the balances at the beginning and end of the historical test year. Both the income statement and rate base components as contemplated in subparts (3)(A) and (3)(B) shall be jurisdictionally allocated using the same factors as were approved or stipulated to in the petitioner's most recent Arkansas rate case, if such exists.
 - (C) Calculation of an interim jurisdictional revenue requirement using the weighted sum of the embedded cost of debt, equity, and other funding sources as of the end of the test year, and the allocated rate base and expenses determined in subpart (3)(B) of this Rule. This exhibit shall also include a calculation of the revenue deficiency, which shall be the difference between the above-described revenue requirement and unadjusted test year rate schedule revenue for Arkansas retail customers.

If allocation factors are not available from the Company's most recent general rate case, as contemplated in subpart (3)(B) of this Rule, then the interim jurisdictional revenue requirement shall be determined by calculating the total Company revenue requirement and allocating it to the jurisdiction based on the ratio of the Arkansas retail revenue requirement to the total Company revenue requirement in the Company's last approved general rate application.

(D) Cash flow statement for the twelve (12) month historical period. A cash flow statement is a statement of cash receipts and disbursements. The statement should include the beginning cash balance and cash receipts and cash disbursements for each month of the test year, and should indicate the nature and amount of obligations unpaid each month due to lack of funds.

(d) Award of Immediate and Impelling Relief

In the event that the Commission finds that the petitioner qualifies for immediate and impelling relief, the Commission shall calculate the revenue requirement and require a rate structure for the interim rates as follows:

(1) Calculation of Revenue Requirement

The Commission shall determine a revenue requirement to be calculated on the Commission's ordered rate of return, rate base and expenses. Under a showing of extraordinary circumstances, the Commission may allow interim recovery of a return on part or all of the petitioner's CWIP.

(2) Rate Structure and Design

The Commission upon proper finding shall approve interim rates to recover the approved Arkansas retail revenue requirement. Such rates shall be designed to produce uniform increases above currently effective rates while maintaining the general structure and design of the currently effective rates. If such procedure is deemed to work a gross inequity on any customer or class of customer, the Commission may order such other rates as it may deem more appropriate.

Rule 9.15. Depreciation Rates - Optional Procedure for Class B Telecommunications Providers

(a) Purpose

The purpose of this Rule is to provide Class B telecommunications providers with the opportunity to

adopt prescribed depreciation rates in a simplified and expedited procedure.

(b) Procedure

- (1) A Class B telecommunications provider may elect to request a change in its depreciation rates pursuant to this Rule rather than in the context of a general rate or depreciation rate filing.
- (2) For purposes of this Rule, a Class B telecommunications provider shall be defined as a non-electing ILEC having 25,000 or fewer access lines as set forth in Rule 9.02.(k).
- (3) By filing for revised depreciation rates under this Rule, a Class B telecommunications provider shall agree to revise its depreciation rates to conform with the depreciation rates previously approved by the Arkansas Public Service Commission pursuant to Rule 9.15. The utility shall adopt said rates for all depreciable classes of property with the exceptions provided for in Rule 9.15.(b)(4) and (5).
- (4) A Class B telecommunications provider may retain an existing Commission-approved amortization and file under this Rule to revise the depreciation rates for all of the provider's accounts not covered by the existing amortization. The provider shall be required to provide the docket and order numbers under which the amortization was approved, the amortization schedule, and the status of the amortization.
- (5) A Class B telecommunications provider may retain an existing Commission-approved remaining life procedure for specified accounts and filed under this Rule to revise the depreciation rates for all other plant accounts. The provider shall be required to provide the docket and order numbers under which the remaining life rate was approved, the parameters used in the calculation of the depreciation rate under the remaining life procedure, and the status of the account.
- (6) A Class B telecommunications provider filing an application pursuant to this Rule on or before October 1 may elect an effective date of January 1

of the same year or any subsequent date up to and including January 1 of the following year for the prescribed depreciation rates. A provider filing after October 1 shall have an effective date of January 1 of the following year for the prescribed depreciation rates.

- (7) A Class B telecommunications provider requesting depreciation rate changes pursuant to this Rule shall prepare and file a letter application and a completed copy of Schedule C-7 of Appendix III. Schedule C-7 shall be completed in its entirety for each account and subaccount of plant.
- (8) A Commission order granting or denying the application shall be issued within sixty (60) days of the filing of the application.

(c) Establishment of Depreciation Rates

- (1) As long as there are non-electing ILECs the Commission shall initiate a generic proceeding for the purpose of reviewing and approving depreciation rates for all depreciable classes of property used in the provision of telecommunications services by Class B telecommunications providers. Such depreciation rates shall be reviewed and revised by the Commission at least once every three (3) years to reflect changes in classes of property or changes in the useful lives and/or net salvage of telecommunications equipment.
- (2) The Commission Staff shall file a schedule setting forth depreciation rates for all depreciable classes of property used in the provision of telecommunications services and supporting testimony by August 1 of the third year following the formal adoption of this Rule and of the third year following the Commission's last triennial review of the depreciation rates established pursuant to Rule 9.15. All Class B telecommunications providers shall have up to sixty (60) days following the filing of the Staff's schedule and testimony to file testimony commenting on the reasonableness of the depreciation rates proposed by Staff. The Commission shall thereafter hold a hearing and shall issue its order regarding the depreciation rates which may be adopted by Class B

telecommunications providers on or before December
31 of the same year.

SECTION 10. COMPLAINTS AND SHOW CAUSE ORDERS

Rule 10.01. Informal Complaints

Informal complaints are those received orally or in letter form by the Commission or its Staff from persons having a complaint about a utility's service, rates, or actions. Such complaints will normally be investigated and handled by the Commission and its Staff in normal course and will not be formally docketed, unless the Commission enters a show cause order relative to an unsatisfied informal complaint.

Rule 10.02. Formal Complaints

- (a) Formal complaints shall be in writing and may be initiated either by the Commission on its own motion or by a party authorized to complain under Section 17(a) of Act 324 of the Acts of 1935 (Ark. Code Ann. §23-3-119), as amended by Act 77 of 1997.
- (b) Formal complaints shall be docketed and shall comply with the pleading and service requirements set forth in these Rules. If the complaint is made by a municipality challenging the reasonableness of any rate or charge, or act or proposed act by any public utility, there shall be attached thereto a certified copy of the resolution of the governing body of said municipality directing the filing of said complaint.
- (c) Each formal complaint shall fully and clearly set out any act or thing done or omitted to be done by any public utility in violation, or claimed violation, of any law which the Commission has jurisdiction to administer, or of any order or rule of the Commission and the exact relief which is desired. The complaint shall contain facts and information sufficient to fully apprise the Commission and the respondent of the facts and issues involved and to enable the respondent to prepare its answer to the complaint.
- (d) If the Commission finds that a formal complaint was brought in bad faith and that there was no genuine basis for a dispute, the Commission can award the prevailing party interest on the disputed amount from the date it was due.

Rule 10.03. Show Cause Orders

Upon its own motion, the Commission may issue a show cause order, setting out matters which it believes may be the subject of a complaint and requiring the respondent or respondents against which the show cause order is directed to appear and show cause why a particular order should not be issued.

Rule 10.04. Procedure

- (a) Upon the filing of a complaint or the issuance of a show cause order, the Commission shall immediately serve a copy thereof upon each respondent, which shall constitute notice to each respondent that the matter complained of must be satisfied, or that the complaint or show cause order must be answered, in writing within twenty (20) days after the date of service, provided that the Commission may, for good cause shown, require the answer to be filed within a shorter time or extend the time in which an answer may be filed. Any respondent failing to answer within the period prescribed shall be deemed in default and all relevant basic facts stated in said complaint or show cause order shall be deemed admitted, unless such default is waived by the Commission for cause.
- (b) If a respondent shall make satisfaction before answering, he may in his answer state, without more, the fact and manner of satisfaction. If satisfaction is made after the filing and service of any answer, a supplemental answer setting forth only the fact and manner of satisfaction must be filed immediately upon such satisfaction. A complainant receiving satisfaction, either before or after answer is filed, must within five (5) days of each satisfaction, file a written acknowledgment thereof showing the character and extent of the satisfaction given.
- (c) Respondent's answer shall contain a specific denial of such material allegations of the complaint or show cause order as are controverted by the respondent and also a statement of any new matter constituting a defense. If respondent has insufficient information to specifically admit or deny an allegation, respondent may so state and deny the allegation upon that ground.

SECTION 11. TARIFFS

Rule 11.01. Applicability

Rule 11.10 applies to telecommunications providers except for non-electing ILECs. The remaining rules apply to non-electing ILECs and the other regulated public utilities except as otherwise noted.

Rule 11.02. Procedure for Filing Tariffs

With regard to any tariff or tariffs not a part of a general rate application, or not accompanied by a formal petition or application, said tariffs shall be assigned a "TF" docket number by the Secretary.

- (a) The Secretary of the Commission shall require, as a prerequisite to filing, that the tariff:
 - (1) Consist of an original and thirteen (13) copies of the tariff and any supporting documentation.
 - (2) Be accompanied by a letter of transmittal, describing the purpose of the tariff and the docket number, if known. (See Rules 11.02.(b)(1) and 11.06. regarding docket number.)
 - (3) Be typewritten or printed on forms furnished or approved by the Commission. Said forms shall measure 8 1/2" x 11" and shall not show any stamp or mark indicating previous Commission approval.
 - (4) Consist of sheets that are identified by a section number, page number, and if applicable, a revision number.
- (b) Upon accepting a tariff for filing, the Secretary of the Commission shall:
 - (1) Assign the tariff filing a docket number to include the letters "TF". Provided, that the Secretary may assign a tariff filing to an existing non-TF docket if appropriate. (See Rule 11.05.)
 - (2) Stamp the filing date on each page of the tariff that will become a permanent, official record of the Commission.

The requirements stated in (b) (1) and (b) (2) above do not apply to tariffs that accompany or supplement a general rate application. (See Rule 11.06.)

- (c) New tariff filings containing substitutions, withdrawals, additions, corrections, or other changes to previously approved tariffs shall be assigned to a new "TF" docket. This does not apply to temporary interim rate schedule filings.
- (d) In the case of any tariff which a utility seeks to file in a "TF" docket, the tariff shall be accompanied by thirteen (13) copies of a narrative discussion and analysis of the effect of such tariff for the following elements:
 - (1) Approximate number of customers expected to be affected.
 - (2) Revenue effect, if any.
 - (3) Any change in rate design which will result in any change in revenue allocation within a class or between classes.

The requirements stated in (a) and (d) above do not apply to a tariff filed in accordance with Rule 7.05.(d).

- (e) In the event Staff believes the support discussion and analysis is inadequate, Staff shall have the right to request additional data and justification if such request is made in writing within fourteen (14) days after filing. If additional data and justification is not furnished to Staff within a reasonable time, Staff may move the Commission to suspend the tariff or tariffs and to require the filing of such additional financial or cost of service data as the Commission may deem to be reasonably necessary.

Rule 11.03. Content of Tariffs -- Basic Information Required

Each utility shall have tariffs that contain the following information on file with the Commission and available for inspection by customers in each utility business office (See General Service Rule 2.01.D. or Telecommunications Providers Rules 2.01.D):

(a) Table(s) of Contents or Index(es)

The table(s) of contents or index(es) shall describe each section contained in the tariff. Tables of contents or indexes shall be included as provided for in Rule 11.04.(a) and shall have sufficient detail so that a particular type of equipment, policy, etc. can be located.

(b) Rate Schedules

Rate schedules shall incorporate the amounts charged for services rendered and any other information required to identify or qualify a utility's services or rates. The rates, conditions of service, character of service, etc., associated with special contracts shall be included as a separate tariff schedule along with a copy of the contract. Provided, that the term "special contracts" does not include special assembly requests or one time construction orders.

(c) Rules, Regulations and Policies

- (1) Utilities are not required to file customer service regulations already addressed in any Commission Rules. Rules and regulations adopted by a utility which supplement the requirements of Commission Rules shall be filed as tariffs with the Commission.
- (2) Policies required by Telecommunications Providers Rules 5.08.B. and 5.09.B., or by General Service Rules 5.09.B.; 5.10.C.; 5.11.B.; and 6.19.A. shall be filed as tariffs with the Commission.

(d) Charges Related to Customer Activity

Charges associated with deposits, membership fees, bad checks, and the like, shall be listed on a separate sheet entitled "Charges Related to Customer Activity". Information required to be prepared and submitted by utilities is contained in Appendix 11-1 to this Section.

(e) Miscellaneous Charges

Miscellaneous charges are any rates or charges for equipment or service not included in another tariff section.

(f) Extension of Facilities

- (1) Each utility shall set forth in its tariffs the conditions and circumstances under which line extension or extensions of service will be made, including therein the methods of computing the contribution in aid of construction.
- (2) The method may permit equal or proportional distribution of excess construction cost to multiple applicants requesting service at the same time in the immediate area.

(g) Gas Utility Requirements

- (1) Minimum Heating Value for Gas

Each gas utility shall file the minimum heating value for gas as a tariff. (See Special Rules-Gas, Rule 6.02.B.)

- (2) Base or Absolute Gas Pressure

Each gas utility shall file the value of its base or absolute pressure as a tariff. (See Special Rules-Gas, Rule 6.03.)

- (3) Normal Gauge Pressure for Gas

Each gas utility shall file the normal gauge pressure at which gas will be supplied through the meter to a customer's piping as a tariff. (See Special Rules-Gas, Rule 6.04.D.)

- (4) Gas Curtailment Policy

Each gas utility shall file its policy governing the curtailment of gas service to customers as a tariff. (See Special Rules-Gas, Rule 3.06.)

(h) Electric Utility Requirements

- (1) Nominal Electric Voltage

Each electric utility shall file the nominal voltage to be supplied to a customer as a tariff. (See Special Rules-Electric, Rule 6.01.A.(1))

- (2) Test Method for In-Service Electric Meters

Each electric utility shall file the test method to be used for in-service meters as a tariff. (See Special Rules-Electric, Rule 7.08.B.)

(3) Electric Voltage Verification Plan

Each electric utility shall file its plan for verifying voltage standards at each distribution substation. (See Special Rules-Electric, Rule 6.01.C.(2)b.)

(i) Change Symbols

A list of the symbols used to denote revisions to existing tariffs shall be filed. (See Rule 11.04.(c).)

Rule 11.04. Form of Tariffs

(a) Table of Contents or Index

Tariffs filed pursuant to rate cases shall contain a table of contents and/or index. The table of contents shall list each major section and subpart.

A revised table of contents and/or index shall be filed with any revised tariff that makes the current table(s) of contents and/or index(es) obsolete.

Tariff sections consisting of more than ten (10) pages shall include a separate table of contents, listing each major subsection and subpart.

(b) Rate Schedules

Each rate schedule shall contain the following information unless it is inappropriate to that schedule's character or class of service:

(1) The Service Area of LECs

The service area is the city, town, or other area to which the schedule applies.

Local exchange area tariff maps and legal descriptions which adequately define the different rate areas, e.g., base rate or rural areas and special zones.

(2) Customer Class

Customer classes may include, for example, residential, commercial, or large power classes. The description of customer classes shall include additional appropriate descriptions, such as interruptible, time of use, and off-peak.

(3) Availability of Service

Classification of premises or customers to which the schedule is applicable.

(4) Character of Service

(A) Electric Utilities

Where applicable, state the service voltage, phase, and frequency of electricity for electrical service.

(B) Gas Utilities

Gas utilities shall state the established absolute pressure base, the assumed atmospheric pressure, and the normal gauge pressure at which gas is supplied to customers' piping. Gas utilities shall also file the minimum average heating value of gas delivered to its distribution plant(s).

(5) Rates

Rates shall be shown in schedule form.

(6) Minimum Charges

(7) Additional Charges

Examples of additional charges include the adjustment riders applicable to the schedule, such as fuel adjustment, tax adjustment, cost of gas adjustment, and so on.

(8) Special Conditions

Where applicable, the tariff shall state any special conditions applied to the customers by rate schedule.

(9) Term of Contract

The tariff shall state the minimum period for which service will be rendered under the schedule.

(10) Separate, Additional Schedules Required

Riders to the rate schedules shall be filed as separate tariff schedules and shall not be incorporated on the same tariff sheet(s) with the rate schedules of the customer classes.

(A) Adjustment Riders

Adjustment riders shall be filed for all adjustments, such as the cost of fuel adjustment, the cost of tax adjustment, the cost of debt adjustment, and so on. These riders shall set forth the adjustment and any special conditions contained therein.

(B) Terms of Payment

The rider shall describe the terms of payment, including a list of the rate schedules to which the terms are applicable.

(C) Schedule of Charges Related to Customer Activity

A list of all miscellaneous fees and charges such as returned check fees, reconnect fees, membership fees, meter test fees, and the like. (See Appendix 11-1 to this Section.)

(D) Other Miscellaneous Riders

(c) Symbols Required in Tariff Revisions

Revised tariffs filed with the Secretary of the Commission shall contain the following symbols, or other approved symbols to indicate changes. These symbols

shall appear in the margin opposite any change or revision that is proposed. A list of the symbols and a description of each shall be required for reference as part of the permanent tariff record. (See Rule 11.03.(i).)

- (DR) Discontinued rate
- (AT) Additions to text
- (RT) Removal of text
- (CR) Change in rate
- (CP) Change in practice
- (CT) Change in text
- (NR) New rate
- (C) A correction
- (MT) Move of text

Rule 11.05. Effective Date of Tariffs

Unless the Commission otherwise orders, tariffs become effective thirty (30) days after they are filed with the Commission. (See Ark. Code Ann. § 23-4-402.) Provided, that the date of any Commission order approving a tariff becomes the effective date of that tariff, unless otherwise stated in the order. Provided further, that this Rule shall not apply to interim tariffs filed pursuant to Ark. Code Ann. § 23-4-624, nor shall this Rule apply to tariffs filed in accordance with Rule 11.09.

Rule 11.06. Disapproval of Certain Filings

Tariffs intended to revise or supplement rates or schedules that constitute a part of a rate application shall be filed only in the docket containing that application. The cover letter accompanying the tariffs shall inform the Secretary of the proper rate application docket in which the tariffs should be filed. Improper filing of said tariffs in a "TF" docket shall be grounds for disapproval. (See Rules 11.02. and 9.01.(B).)

Rule 11.07. Tariffs to Comply with Section 11.

The Commission may require a utility to revise its existing tariffs to comply with this Section.

Rule 11.08. Failure to Comply

Failure to comply with any of the rules regarding tariff filings may be the basis for rejection of any filing.

Rule 11.09. Parity Tariffs

For those tariffs, tariffed rate elements, or specific services which the Commission has explicitly ordered be maintained at parity with like interstate tariffs or services, the following shall apply:

- (a) Statement of concurrence, including specific and complete references to the applicable and appropriate interstate tariffs, shall be filed in the applicable tariff sections of the intrastate tariff, in lieu of form and context requirements in Rule 11.03. and Rule 11.04.
- (b) Exceptions, additions, or deletions which are inapplicable to interstate tariffs shall be included in the appropriate intrastate tariffs, wherein all other provisions of Section 11. shall apply.
- (c) Complete copies of the approved applicable interstate tariffs shall be provided to the Staff upon request.

Rule 11.10. Telecommunications Rates Not Subject to Commission Approval

- (a) When a telecommunications provider other than a non-electing ILEC files tariffs or price lists containing its rates for intrastate telecommunications services it shall provide an original and four (4) copies of each filing.
- (b) No tariffs or filings are required for Commercial Mobile Radio service providers, unless such providers are ILECs using radio technologies to provide basic local exchange services where there is no alternative basic local exchange service provided by another telecommunications provider.